

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 317 - SB 1206

February 26, 2017

SUMMARY OF BILL: Requires any person found not guilty by reason of insanity for first degree murder, or a class A felony under Tennessee Code Annotated title 39, chapter 13, to participate in six months of outpatient treatment, whether committed to inpatient hospitalization or not.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$264,200/FY17-18
\$318,500/FY18-19 and Subsequent Years**

**Increase Federal Expenditures – \$34,900/FY17-18
\$52,300/FY18-19 and Subsequent Years**

Assumptions:

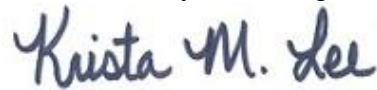
- Under current law, a person found not guilty by reason of insanity is not required to participate in outpatient treatment unless ordered by the court. Further, persons found not guilty by reason of insanity may or may not meet the requirements for judicial commitment.
- The proposed legislation will result in some persons participating in six months of outpatient therapy that currently do not receive any treatment after being found not guilty by reason of insanity.
- The proposed legislation also requires any person currently hospitalized, or that may be committed to inpatient hospitalization after conviction, to participate in six months of outpatient treatment upon being released from inpatient hospitalization, which is not required under current law.
- Information from the Department of Mental Health and Substance Abuse Services (Mental Health) shows 15 individuals hospitalized in regional mental health institutes with class A felony charges who were found not guilty by reason of insanity. It is assumed that five of these individuals will be discharged in FY17-18, requiring six months of outpatient treatment. Further, it is estimated that five individuals each year will be found not guilty by reason of insanity, but will not meet the requirement of judicial commitment.
- The proposed legislation will result in 10 individuals participating in six months outpatient treatment in FY17-18. Mental Health reports that under the Behavioral

Health Safety Net six months of outpatient treatment for 10 individuals would require \$399,003, which would likely be allocated as follows: \$245,861 in state expenditures (DMHSAS), \$53,255 in TennCare expenditures (\$18,317 state and \$34,938 federal), and \$99,887 in other payers through Medicare, Veterans Affairs (VA) or other sources.

- The proposed legislation will increase state expenditures by \$264,178 (\$245,861 + \$18,317) and federal matching expenditures by \$34,938 in FY17-18.
- In FY18-19 and subsequent fiscal years, it is assumed that the average number of individuals released from inpatient hospitalization will average eight individuals per year. It is assumed that 13 individuals (8 releases + 5 that do not meet requirements for judicial commitment) will require six months of outpatient treatment.
- Information from Mental Health shows six months of outpatient treatment for 13 individuals would require \$520,445, which would likely be allocated as follows: \$291,067 in state expenditures, \$79,771 in TennCare Expenditures (\$27,437 state and \$52,334 federal), and \$149,607 in other payers through Medicare, VA or other sources.
- The proposed legislation will increase state expenditures by \$318,504 (\$291,067 + \$27,437) and federal matching expenditures by \$52,334 in FY18-19 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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